



City of Chula Vista Boards & Commissions

Housing Advisory Commission

Agenda

Notice is hereby given that the **Housing Advisory Commission** of the City of Chula Vista has called and will convene a Special Meeting on **Thursday, November 20, 2014** in **Conference Room C101**, located at **276 Fourth Avenue, Building A**, Chula Vista, California to consider the item(s) on this agenda.

MEETING OF THE HOUSING ADVISORY COMMISSION OF THE CITY OF CHULA VISTA

Thursday, November 20, 2014
4:00 p.m.

Conference Room C101
276 Fourth Avenue, Building A
Chula Vista

CALL TO ORDER

ROLL CALL: Commissioners Lisama, Quero, Torre, Zaker, and Chair Uy

CONSENT CALENDAR

The Board/Commission will enact the Consent Calendar staff recommendations by one motion, without discussion, unless a Board/Commission Member, a member of the public, or staff requests that an item be removed for discussion. If you wish to speak on one of these items, please fill out a "Request to Speak" form and submit it to the Secretary prior to the meeting. Items pulled from the Consent Calendar will be discussed immediately following the Consent Calendar.

1. APPROVAL OF MINUTES FROM May 1, 2014
Staff recommendation: Review Attachment 1 and approve minutes.
2. APPROVAL OF MINUTES FROM July 23, 2014
Staff recommendation: Review Attachment 2 and approve minutes.

PUBLIC COMMENTS

Persons speaking during Public Comments may address the Board/Commission on any subject matter within the Board/Commission's jurisdiction that is not listed as an item on the agenda. State law generally prohibits the Board/Commission from discussing or taking action on any issue not included on the agenda, but, if appropriate, the Board/Commission may schedule the topic for future discussion or refer the matter to staff. Comments are limited to three minutes.

ACTION ITEMS

The Item(s) listed in this section of the agenda will be considered individually by the Board/Commission and are expected to elicit discussion and deliberation. If you wish to speak on any item, please fill out a "Request to Speak" form and submit it to the Secretary prior to the meeting.

3. ELECTION OF CHAIR AND VICE CHAIR FOR FISCAL YEAR 2014/2015
Staff recommendation: Commissioners nominate and elect the Chair and Vice Chair for the period of July 1, 2014 - June 30, 2015.

4. HOME INVESTMENT PARTNERSHIP & HOUSING AUTHORITY FUNDS LETTER OF PRE-COMMITMENT

Housing staff will provide a synopsis of available HOME and Housing Authority funds and an application from Chelsea Investment Corporation for up to \$3M towards development of 210 low-income rental units (124 senior units) in the Otay Ranch Millenia project in satisfaction of a portion of their Balanced Communities obligation, reference Attachment 3. The Commission will provide comment and recommendation to Council regarding the pre-commitment of funding.

OTHER BUSINESS

5. STAFF COMMENTS

Update on the following projects/programs:

- Congregational Tower
- Lofts on Landis
- CalHOME First-Time Homebuyer Funds
- SDG&E Mobilehome Utility Pilot Program

6. CHAIR'S COMMENTS

7. COMMISSIONERS'/BOARD MEMBERS' COMMENTS

ADJOURNMENT to the regular meeting of the **Housing Advisory Commission** on Wednesday, January 28, 2014 in Conference Room C101 at 276 Fourth Avenue, Building A, Chula Vista, California.

*Materials provided to the **Housing Advisory Commission** related to any open-session item on this agenda are available for public review in the **Housing Division**, Chula Vista during normal business hours.*

***In compliance with the
AMERICANS WITH DISABILITIES ACT***

The City of Chula Vista requests individuals who require special accommodations to access, attend, and/or participate in a City meeting, activity, or service, contact the Human Resources Department at (619) 691-5041 (California Relay Service is available for the hearing impaired by dialing 711) at least forty-eight hours in advance of the meeting.

**DRAFT MINUTES OF A SPECIAL MEETING OF THE
HOUSING ADVISORY COMMISSION
OF THE CITY OF CHULA VISTA**

May 1, 2014

6:00 P.M.

A Special Joint Meeting of the **Housing Advisory Commission** and **Mobilehome Rent Review Commission** of the City of Chula Vista was called to order at 6:05 p.m. in Conference Room B111, located in Building C at 276 Fourth Avenue, Chula Vista, California.

ROLL CALL

PRESENT: Commissioners Minas, Quero, Zaker, and Torre

ABSENT: Chair Uy

ALSO PRESENT: Stacey Kurz, Senior Project Coordinator
Leilani Hines, Housing Manager

CONSENT CALENDAR

1. APPROVAL OF MINUTES FROM February 26, 2014

ACTION: Commissioner Minas moved to approve staff's recommendations to approve the minutes. Commissioner Zaker seconded the motion, and it carried, result of vote 4-0.

PUBLIC COMMENTS

None.

INFORMATIONAL ITEMS

2. HOUSING ELEMENT 2013 ANNUAL PROGRESS REPORT

Staff Kurz provided a brief presentation summarizing housing goals and policies in the 2013-2020 Housing Element and progress towards meeting them in 2013, reference Exhibit 1 presentation.

ACTION: None required.

3. CHULA VISTA DEVELOPMENT

Staff Kurz provided a brief presentation regarding recent development and economic development projects, reference Exhibit 2 handouts.

ACTION: None required.

OTHER BUSINESS

4. STAFF COMMENTS

Update on the following projects was provided, reference Exhibit 3 presentation:

- Mobilehome Administrative Fee.
- City Rehabilitation Programs
 - Green Homes for All – Western Homeowner Rehabilitation Program
 - Mobilehome Community Housing Improvement Program (CHIP)

5. CHAIR’S COMMENTS (MOBILEHOME RENT REVIEW COMMISSION)

Chair Gonzalez provided the following comments:

- Encouraged members to engage in the May 30th workshop the Library was conducting entitled “Chula Vista: The Good, The Bad, and The Just Plain Wrong!”
- Inquired into the Districting efforts at the city.
- Asked staff to consider gender diversification of the commissions.

6. COMMISSIONERS’/BOARD MEMBERS’ COMMENTS

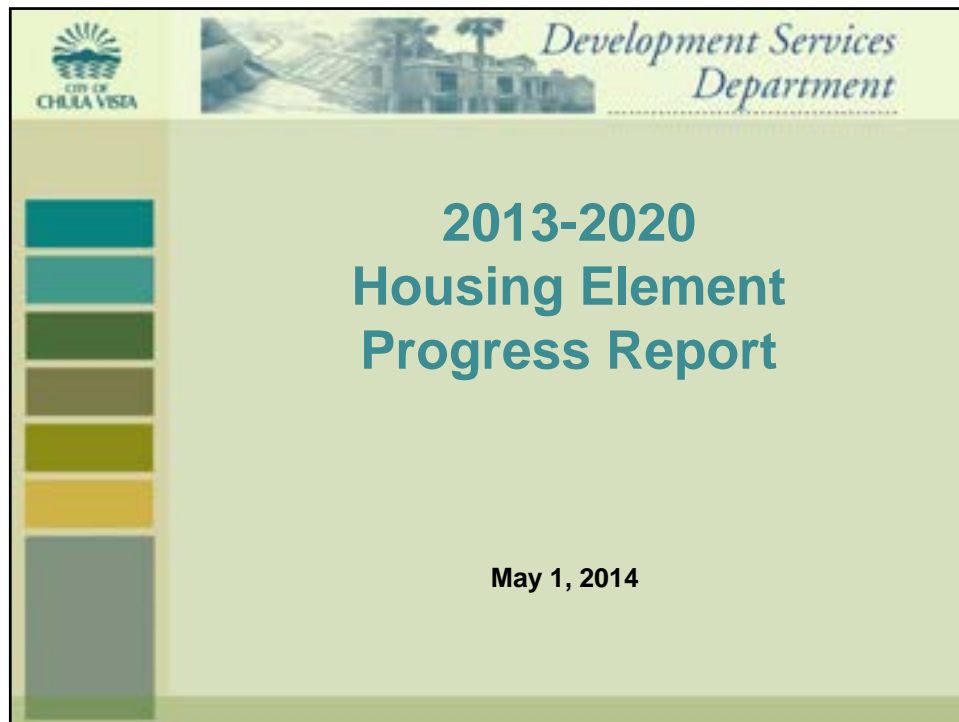
None.



ADJOURNMENT

At 7:43 p.m., Chair Gonzalez motioned to adjourn the meeting, with a second from Commissioner Johnson, to the regularly scheduled meeting on Wednesday, July 23, 2014 in Conference Room C101 at 4:00 p.m.

Stacey Kurz, Senior Project Coordinator

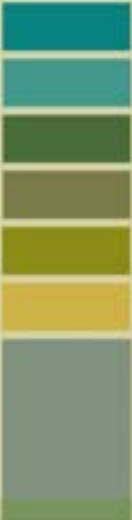
Exhibits: 1. Housing Element 2013 Annual Progress Report Presentation
 2. Recent/Current Development Handouts
 3. Staff Report Presentation







*Development Services
Department*

Key Findings



- 40% increase in City population
- Ethnically diverse
- Housing affordability gaps
- Demographic differences
- Sufficient land capacity to meet Regional Housing Needs Assessment
- Limited financial resources available






*Development Services
Department*

What We Heard



General Needs

- Affordable Housing is lacking
- Families are struggling

Priority Populations

- Economically vulnerable

Programs & Strategies

- Creative & Alternatives
- Preserve what we have & opportunities to reuse & enhance existing
- Geographic balance
- Purpose & responsibility
- Reduce barriers







*Development Services
Department*

Focus for Future



- Leveraging opportunities, available resources and new collaborations

- Housing with purpose
 - Economically vulnerable
 - Economic benefits to residents and community







*Development Services
Department*

Neighborhood Revitalization





April 2013
11 blocks of sidewalk
24 curb cuts

CITY OF CHULA VISTA
CAPITAL IMPROVEMENT PROJECT
DEPARTMENT OF DEVELOPMENT
DIVISION OF NEIGHBORHOOD
IMPROVEMENT AND REDEVELOPMENT



5,580 RAPP Registries
80 in 2013



Third Avenue
Improvements




*Development Services
Department*

Maintaining Housing Stock



Palms Mobile Estates began in 2013

Mobilehome/Trailer (Title 25)
90 units / 8 parks



Multi-Family Inspections
650 units / 140 complexes





*Development Services
Department*

Maintaining Housing Stock







City of CHULA VISTA




*Development Services
Department*

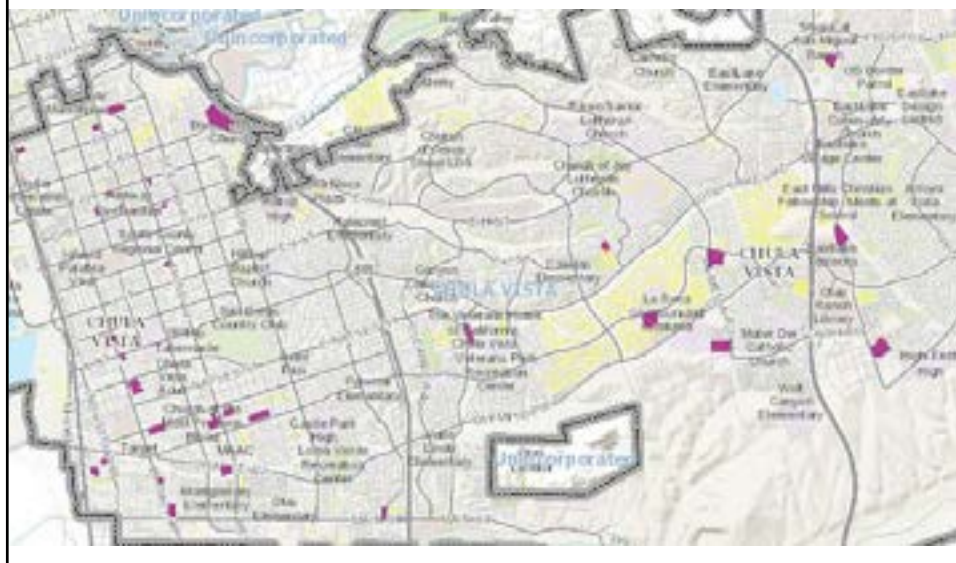


Conservation Measures

- Green Building Standards (over 460 buildings)
 - 20% potable water reduction
 - Exceeded 15-20% higher energy efficiency standards
- Water Conservation
 - "20" Gallon Challenge
 - NatureScape
- Sustainable Communities Program
 - Staff training for LEED & Build It Green
- Energy Roadshow



Affordable Rental Housing







*Development Services
Department*

Affordable Rental Housing

Acquisition & Rehabilitation

**102 Units in West
2 Units in East**

City/County Partnership

5 units
< 50% AMI



Kiku Gardens

99 units
< 80% AMI





*Development Services
Department*

Affordable Rental Housing

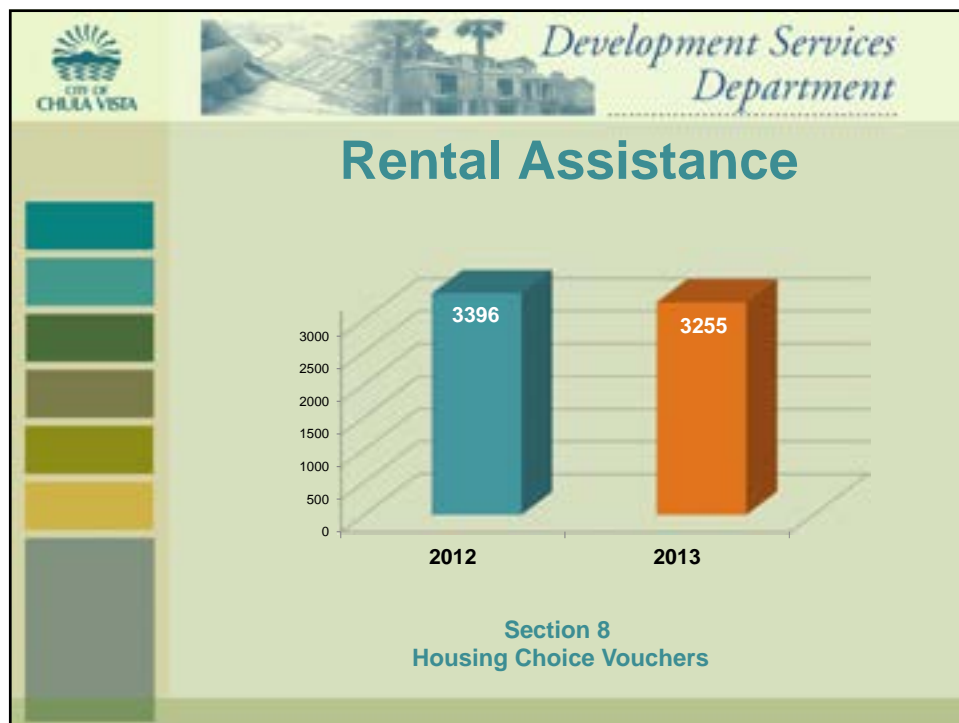
New Construction

Inclusionary Agreements

Tavera & Lakepointe
15 units < 80% AMI
21 units < 120% AMI



Lofts on Landis
33 units
< 60% AMI





*Development Services
Department*

Mobilehome Community Issues

- Desire to preserve MHP zones
- Aging housing stock
- Securing City's investment w/ limited funds
- Health & safety in trailer parks

Other issues you see?

Chula Vista Current/Recent Development

NUMBER	DESCRIPTION	ADDRESS
1	<u>Lofts on Landis – Mixed Use</u> ▣ 4-Story, 33 MF Apts. & 1,253 s.f. of Office Space	240 Landis Avenue
2	<u>The Colony – Mixed Use</u> ▣ 4 Stories Over Garage, 162 MF Condos ▣ 2,800 s.f. Commercial includes Chula Vista Museum	435 Third Avenue
3	<u>Urbana – Mixed Use</u> ▣ 7-Story, 258 MF Apartments & 9 Live/Work Units	H Street Between 3rd & 4th Avenues
4	<u>Creekside Point – Mixed Use</u> ▣ 115 Condos, 4 Live/Work Units, 700 s.f. Retail	944 Third Avenue
5	<u>Orange Park</u> ▣ 3.9-Acre Park	Third and Orange Avenues
6	<u>Otay Ranch Village 2</u> ▣ Various Residential Projects	Between Heritage Road and La Media Road
7	<u>Heritage Road</u> ▣ Construction from Olympic Parkway to Santa Victoria Road	South of Olympic Parkway
8	<u>Otay Ranch Village 8 West & East</u> ▣ West: 1,429 MF & 621 SF / East: In Development	South of Hunte Parkway and West of SR 125
9	<u>All Seasons Park</u> ▣ 7.6 acres w/ soccer field, basketball, shelter/gazebo, play equipment, picnic/BBQ area, restroom	1825 Magdalena Avenue
10	<u>Otay Ranch Village 6 “Contessa” & SBBRT</u> ▣ Last residential project in V6, 108 MF apartments formerly known as “Marquis II” ▣ Site for South Bay Bus Rapid Transit	East Palomar Street
11	<u>Otay Ranch Library & CV Police Department</u> ▣ Storefront Library and Police Department	Otay Ranch Town Center
12	<u>EUC “Millenia” – Mixed Use</u> ▣ 273 MF Apartments (Fairfield) & 116 Townhomes (Genesis)	Birch Road and Eastlake Parkway
13	<u>Otay Ranch Village 9</u> ▣ Otay Land Company Residential Development	East of SR 125 and South of Hunte Parkway
14	<u>University Park & Innovation District</u> ▣ 375 Acres / University Campus to Serve 20,000 Students	East of Eastlake Parkway and Hunte Parkway
15	<u>OTC Archery Center</u> ▣ 35,000 s.f Facility; 25,212 s.f. Housing; 4,107 Multi-Purpose	2800 Olympic Parkway
16	<u>Lake Pointe – Mixed Use</u> ▣ 221 MF Condos & 15,000 s.f. Commercial	Olympic Parkway West of Wueste Road
17	<u>Olympic Pointe</u> ▣ 427 MF Apartments	Olympic Parkway South of Wueste Road
18	<u>Rolling Hills Ranch and Bella Lago</u> ▣ Single-Family Developments	Agua Vista Drive
19	<u>ActiveCare at Rolling Hills Ranch</u> ▣ 60-Bed Senior Residential Facility	850 Duncan Ranch Road
20	<u>Westmont Senior Center</u> ▣ 98-Unit, 104-Bed Assisted Living Facility	2325 Proctor Valley Road
21	<u>Mt. San Miguel Park</u> ▣ 19.5 acres w/ Ball Fields, Basketball & Tennis Courts, Play Equipment, Dog Park, Walking Trail, Shelters/Gazebos	2335 Paseo Veracruz
22	<u>Bayfront</u> ▣ 500-Plus Acres of Residential, Park & Resort Development	Bay Boulevard

Chula Vista Current/Recent Development

New Businesses:

A Chula Vista Center

AMC Theatre

Project Pie

Fatburger

Chipotle (across the street)

B Otay Ranch Mall

Venga Venga

Savoie French Italian Eatery

Kasi Fresh. Fast. Indian

Buffalo Wild Wings

C Eastlake Von's Shopping Center

Project Pie

Which Wich

D Village Walk

Nothing Bundt Cakes

McMillin Realty

E Eastlake Design Center

LaserTag

SkyZone

Fillipi's Pizza Grotto

Pride Martial Arts

F Lane Avenue Business District

YMCA

G Mt. Miguel Shops

Pizzos

Subway

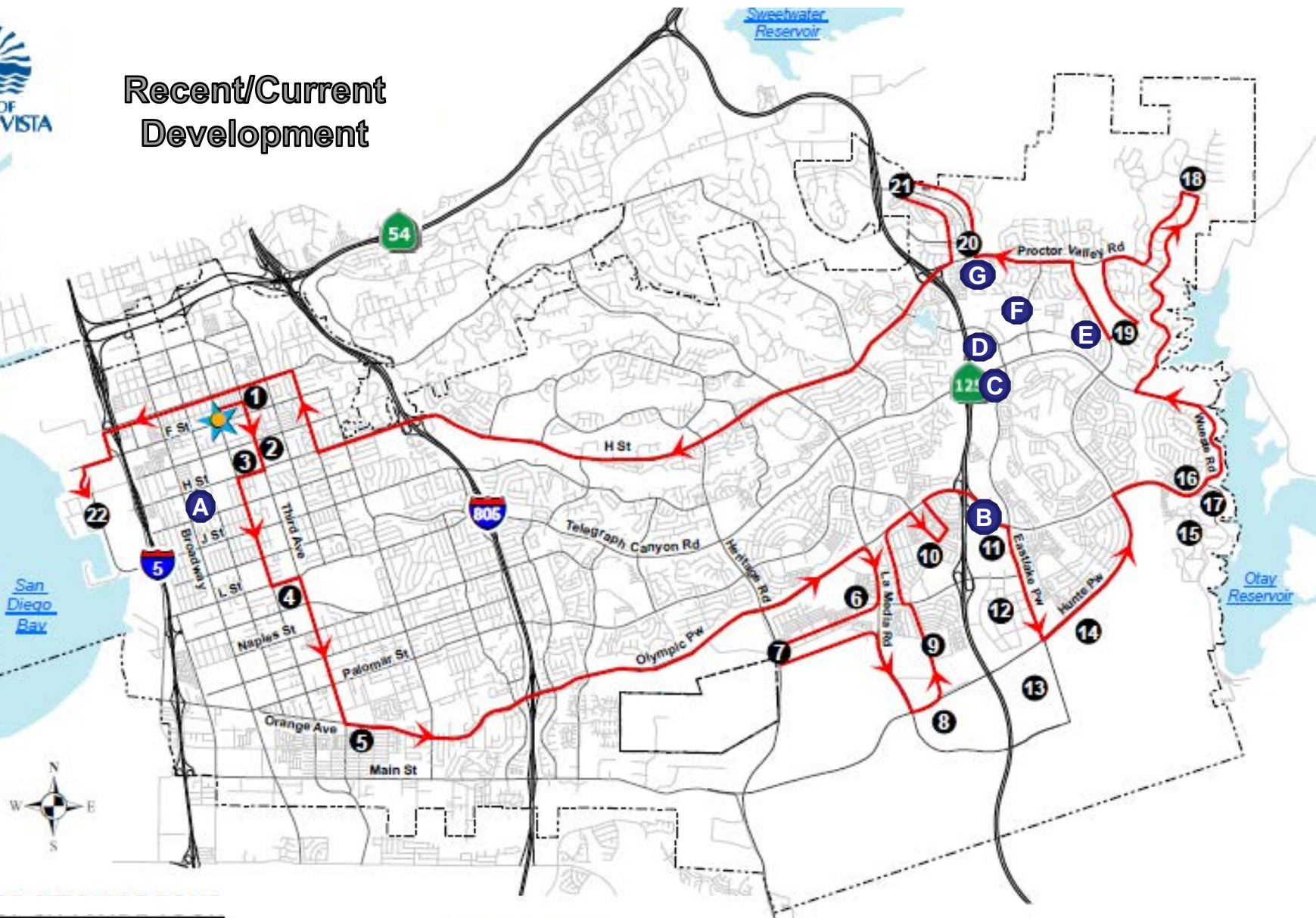
Pilates Room

Pizza Hut

McDonald's



Recent/Current Development



- | | | | | |
|-------------------|--|--|--------------------------------------|------------------------------|
| 1 Lofts on Landis | 6 Otay Ranch Village 2 | 11 Otay Ranch Library | 16 Lake Pointe | 21 Mt. San Miguel Ranch Park |
| 2 The Colony | 7 Heritage Road | 12 EUC "Millenia" | 17 Olympic Pointe | 22 Bayfront |
| 3 Urbana | 8 Otay Ranch Village 8 West & East | 13 Otay Ranch Village 9 | 18 Rolling Hills Ranch & Bella Lago | |
| 4 Creekside Point | 9 All Seasons Park | 14 University Park & Innovation District | 19 ActiveCare at Rolling Hills Ranch | |
| 5 Orange Park | 10 Otay Ranch Village 6 "Contessa" and South Bay BRT | 15 OTC Archery Center | 20 San Miguel Ranch Senior Facility | |





Development Services
Department

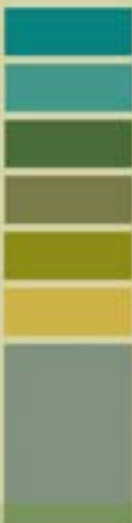


Staff Reports

May 1, 2014



Development Services
Department



Master Fee Schedule Updates

- City Council May 6th
- Administrative Fee adoption
July 1, 2014 – June 30, 2015
 - Proposed at \$40
 - ✓ Fund balance as of 7/1/14
 - ✓ Leveling of revenues & expenditures
- CVMC 9.40 Application Fee
 - State law allows local jurisdiction to recoup costs to process park closure



Development Services Department

Lofts on Landis




LANDIS AVENUE ELEVATION





landis@wakelandhdc.com



Western Homeowner Rehabilitation Loans

Application Process

1. Determine Eligibility
2. Complete Application
3. Review Application
4. Approval
5. Disbursement
6. Repayment

Eligible Applicants

- Homeowner who owns and occupies the property
- Property must be at least 1 year old
- Property must be in good condition
- Property must be in good condition
- Property must be in good condition

Eligible Properties

- Single-family detached homes
- Condos, townhomes, and other multi-unit properties
- Properties with up to 4 units
- Properties with up to 4 units
- Properties with up to 4 units

Loan Terms

- 1% to 3% interest rate
- 10 to 15 year term
- 10 to 15 year term
- 10 to 15 year term



Community Housing Improvement Program "CHIP"

Application Process

1. Determine Eligibility
2. Complete Application
3. Review Application
4. Approval
5. Disbursement
6. Repayment

Mobilehome Rehabilitation Forgivable Loans

Eligible Applicants

- Homeowner who owns and occupies the property
- Property must be at least 1 year old
- Property must be in good condition
- Property must be in good condition

Eligible Properties

- Single-family detached homes
- Condos, townhomes, and other multi-unit properties
- Properties with up to 4 units
- Properties with up to 4 units
- Properties with up to 4 units

Loan Terms

- 1% to 3% interest rate
- 10 to 15 year term
- 10 to 15 year term
- 10 to 15 year term

**DRAFT MINUTES OF THE
HOUSING ADVISORY COMMISSION
OF THE CITY OF CHULA VISTA**

July 23, 2014

4:00 P.M.

A Meeting of the **Housing Advisory Commission** of the City of Chula Vista was called to order at 4:03 p.m. in Conference Room C101, located in Building A at 276 Fourth Avenue, Chula Vista, California.

ROLL CALL

PRESENT: Commissioners Lisama, Quero, and Zaker

ABSENT: Commissioner Torre (U) and Chair Uy (E)

ALSO PRESENT: Stacey Kurz, Senior Project Coordinator
Craig Ruiz, Economic Development Specialist
Michael Meacham, Director of Economic Development

CONSENT CALENDAR

1. APPROVAL OF MINUTES FROM May 1, 2014

ACTION: Vice Chair Quero moved to Table the approval of the minutes until a quorum of members that attended the May 1st meeting were present. Commissioner Zaker seconded the motion, and it carried, result of vote 2-0-1, with Commissioner Lisama abstaining as a recent member to the commission.

PUBLIC COMMENTS

None.

INFORMATIONAL ITEMS

2. CHULA VISTA ECONOMIC DEVELOPMENT

Staff Ruiz provided a brief presentation summarizing efforts of the Economic Development Department, reference Exhibit 1 presentation.

ACTION: None required.

OTHER BUSINESS

3. STAFF COMMENTS

Update on the following projects was provided by Staff Kurz:

- Urban Core Specific Plan Updates – Updates to the UCSP are planned to be taken to Council in September to rezone R3 residential properties and revise some of the zoning guidelines to give property owners more flexibility.
- Lofts on Landis – Subterranean level nearing completion, construction on schedule.
- Kiku Gardens – Pulled building permits, expect rehabilitation to start in near future.
- Congregational Towers – Rehabilitation of the project was nearly complete.
- Christmas in October – Applications now available for low income homeowners in need of rehabilitation assistance.

4. CHAIR’S COMMENTS (MOBILEHOME RENT REVIEW COMMISSION)

None.

5. COMMISSIONERS’/BOARD MEMBERS’ COMMENTS

None.

ADJOURNMENT

At 5:35 p.m., Commissioner Zaker motioned to adjourn the meeting, with a second from Commissioner Lisama, to the regularly scheduled meeting on Wednesday, October 22, 2014 in Conference Room C101 at 4:00 p.m.

Stacey Kurz, Senior Project Coordinator

Exhibits: 1. Economic Development Presentation

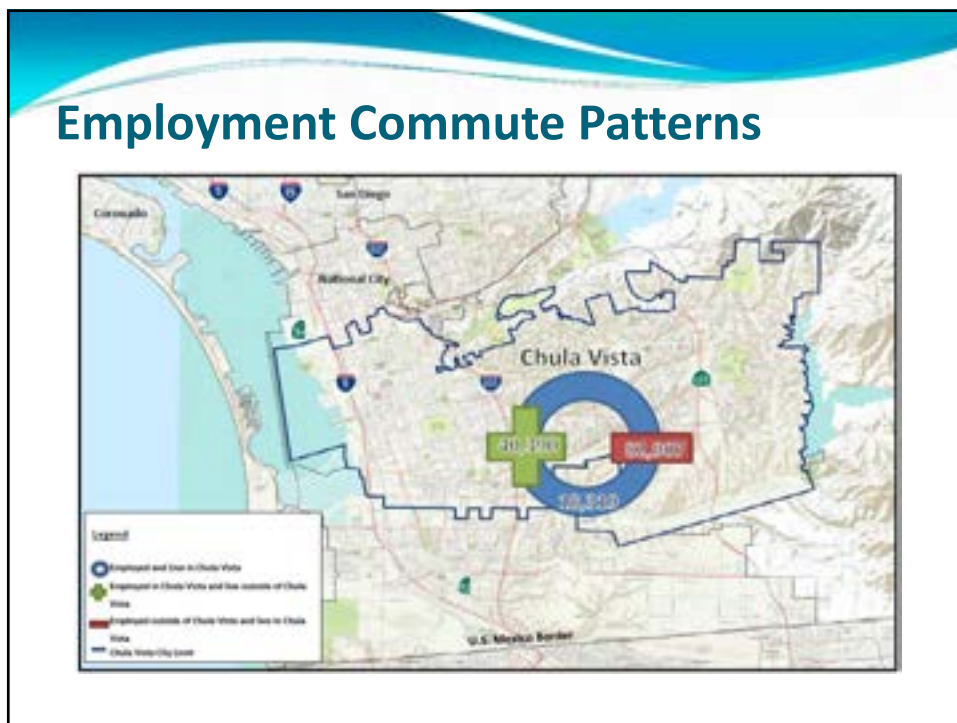


Chula Vista Business Cluster Analysis

Leveraging Unique Assets to Compete Globally
July 23, 2014 – Housing Advisory Committee

Craig Ruiz, Principal
Economic Development Specialist

Michael T. Meacham,
Director Economic Development



Business Cluster Study



Project Purpose

“We don’t know, what we don’t know.”

1. Identify “best fit” business clusters,
2. Readiness for recruitment of new businesses to attract and expand quality jobs, and
3. Provide recommendations for positioning, marketing, and business recruitment.
4. Develop and implement a plan to identify and approach business expansion & recruitment targets

Best Fit Industry Clusters

- Advanced Manufacturing
- Clean Tech
- Education & Innovation Centers
- Information & Communications Technology
- Health & Wellness Services (Sports Medicine)
- Headquarters & Administrative Offices



Corporate Location Assessment

Corporate Location Exercise Ranking – 12 Decision Factors	
CLE Conducted by: Austin Consulting, International Site Selectors	
Market Access	Strength
Real Estate	Current Weakness (shovel-ready ⁴) / potential Strength
Utilities	Neutral
Transportation	Strength / Neutral (potential west/cross town congestion)
Workforce	Strength / Weakness (Lack of documentation)
Business Climate	Neutral
Sustainable Practices	Strength
Risk Management	Strength
Business Costs	Neutral (impact fee concern)
Incentives	Neutral (loss of Enterprise Zones)
Quality of Life	Strength
Readiness	Weakness
Overall Ranking	Neutral

Go-To-Market Strategy

The core of the project – tactical approaches to business retention, expansion, attraction and prospecting:

1. Existing Business Development
2. Positioning
3. Packaging
4. Business Attraction/Target Markets
5. Earned Media

Unique Position in the Market

- Distinctly unique is proximity to Cali-Baja, the connectivity to San Diego's resources and a multinational resident base ;
- Chula Vista and Cali-Baja share industry clusters – this synergistic relationship creates a unique *selling proposition*.



Packaging

Quality collateral and marketing materials and tools are needed:

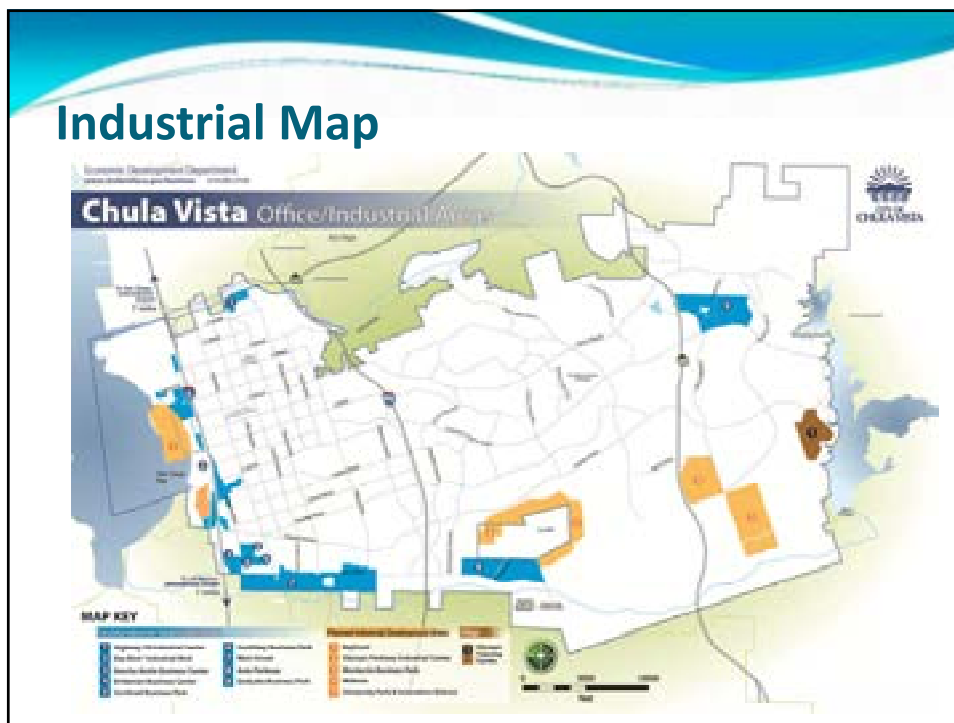
- Marketing
 - Map Collateral Brochures
 - Business Cases
 - Labor Data
 - Website
- Site Investigation Data Guide



Regional Map



Industrial Map



Chulavistaca.gov/business



Questions?

The City of Chula Vista Development Services Housing Division
A REPORT TO THE
HOUSING ADVISORY COMMISSION

Item No. 4

Staff: Leilani Hines, Housing Manager
Development Services Department, Housing Division

DATE: November 20, 2014

SUBJECT: MILLENNIA AFFORDABLE HOUSING - RECOMMENDATION OF APPROVAL TO THE HOUSING AUTHORITY AND THE CITY OF CHULA VISTA CITY COUNCIL TO FINANCE A PROPOSED 210 RESIDENTIAL PROJECT WITHIN OTAY RANCH MILLENIA

I. RECOMMENDATION

That the Housing Advisory Commission recommend APPROVAL to the Housing Authority and the City of Chula Vista City Council of the proposed 210 affordable residential project within Otay Ranch Millenia and to conditionally approve up to \$3,000,000 from the available housing fund balance for the project.

II. BACKGROUND

The City of Chula Vista and its Housing Authority has received a request from Chelsea Investment Corporation (“Applicant”) to consider issuance of up to \$33 million in private activity bonds for multi-family projects and a total financial assistance of \$5.2 million to support the construction of a 124 unit senior and 86 unit family rental housing development (“the Project”) within Otay Ranch Millenia (Exhibit 1 - Locator Map). The Project is proposed in satisfaction of Millenia’s Balanced Communities Affordable Housing obligation.

The Applicant is currently preparing an application to both the California Debt Limit Allocation Committee (CDLAC) and the California Tax Credit Allocation Committee for bonds and Tax Credits to substantially finance the Project. The CDLAC application must be submitted by March 2015.

III. PROJECT DESCRIPTION

The Applicant

Chelsea Investment Corporation (CIC) has developed several projects in Chula Vista, primarily in eastern Chula Vista, to satisfy developer inclusionary housing requirements (Teresina Apartments, Rancho Buena Vista Apartments, Villa Serena and The Landings I and II). CIC has over 6,300 housing units in its portfolio. The company has a strong and experienced team of professionals. CIC has successfully managed low income housing units for over 30 years. CIC is qualified and has demonstrated an ongoing desire and commitment to partner with the City in the development of another affordable housing project.

The Property

Millenia Affordable Housing development will be built within the Otay Ranch Millenia subdivision of eastern Chula Vista and located near the southwest corner of Birch Road and Eastlake Parkway (see Attachment 1). As the urban heart of Otay Ranch, Millenia will contain the largest concentration of retail, employment, residential, civic and cultural uses. The Project site provides an ideal location, with easy access to employment and education opportunities, and neighborhood services within Millenia and the other adjacent neighborhoods. The site is located along the proposed Bus Rapid Transit line and within walking distance to neighborhood services and facilities, less than a 1/3 mile is Otay Ranch Town Center, across the street is a grocery store, and within 1/3 mile are Chula Vista High Tech High and the University/Innovation District.

The Proposal

All 210 units will be available on a rent restricted basis to households whose income is at or below 50-60 percent (%) of the Area Median Income (AMI) as determined by HUD. The project will be affordable for 55-years and guarantees the availability of such housing and services for the long term.



The Project will consist a 5-story building with wrap around parking. The 210 affordable units are configured as stack flat units. 124 units will be offered as one and two-bedroom units for seniors and 86 one-three bedroom units for families.

This project will provide a balance of housing opportunities and fulfill a need in Chula Vista for rental housing for seniors and families, particularly in the neighborhoods east of Interstate 805, as outlined in the City of Chula Vista 2013-2020 Housing Element.

Income and Rent Restrictions

For both the tax credit and affordable housing funding, units are required to be restricted and available for occupancy by persons or families whose income does not exceed 30 to 60 percent of the area median income (AMI) for the San Diego Primary Metropolitan Statistical Area. The most restrictive rent and income limits of the applicable funding source is applied for the Project for a period not less than fifty-five (55) years and ensures long term affordability. The income and rent restrictions are to be incorporated into the Regulatory Agreement, which will be recorded against the property (Exhibit 2 –Income Limits and Rents).

Compliance with the income and rent restrictions will be subject annually to a regulatory audit and annual tax credit certification. Compliance with strict property management policies and procedures will ensure that income and rent restrictions will be maintained for the full 55-year compliance period.

IV. FINANCIAL ASSISTANCE

Form of Assistance

Financing and development of the Project is proposed as a joint private-public partnership. With rents restricted at the affordable levels for the 55-year time period, the net operating income is insufficient to support a loan large enough to cover all the project costs.

CIC has requested that the Housing Authority of the City of Chula Vista consider the issuance of private placement bonds to support the majority of the estimated \$58 million (\$275,778 per unit) cost of constructing the project (see Exhibit 3). The permanent bond loan is estimated at approximately \$15.2 million. CIC will apply for approximately \$24.1 million in Low Income Housing Tax Credits. The permanent bonds and Tax Credits would cover over 68 percent of the estimated cost.

To close the financing gap, CIC has requested direct financial assistance of \$3,000,000 from the City's and Housing Authority's available Housing Fund balance. These funds would be used to restrict all 210 units. This equates to a per unit subsidy of \$14,286 per unit. To further assist the Project, the City Council will be asked to consider the deferral and/or waiver of development impact fees in the approximate amount of \$2,175,000 (see Exhibit 4).

The leveraging of local dollars is necessary to obtain the bonds and tax credits for the project. As proposed, the project would be able to leverage \$11 in private investment for each \$1 of our local resources. Financial assistance for the residential units will be subject to obtaining the bonds and tax credits, negotiation of satisfactory terms of the Regulatory Agreement and Loan Agreement and the approval of such terms and documents by the City Council at a later date.

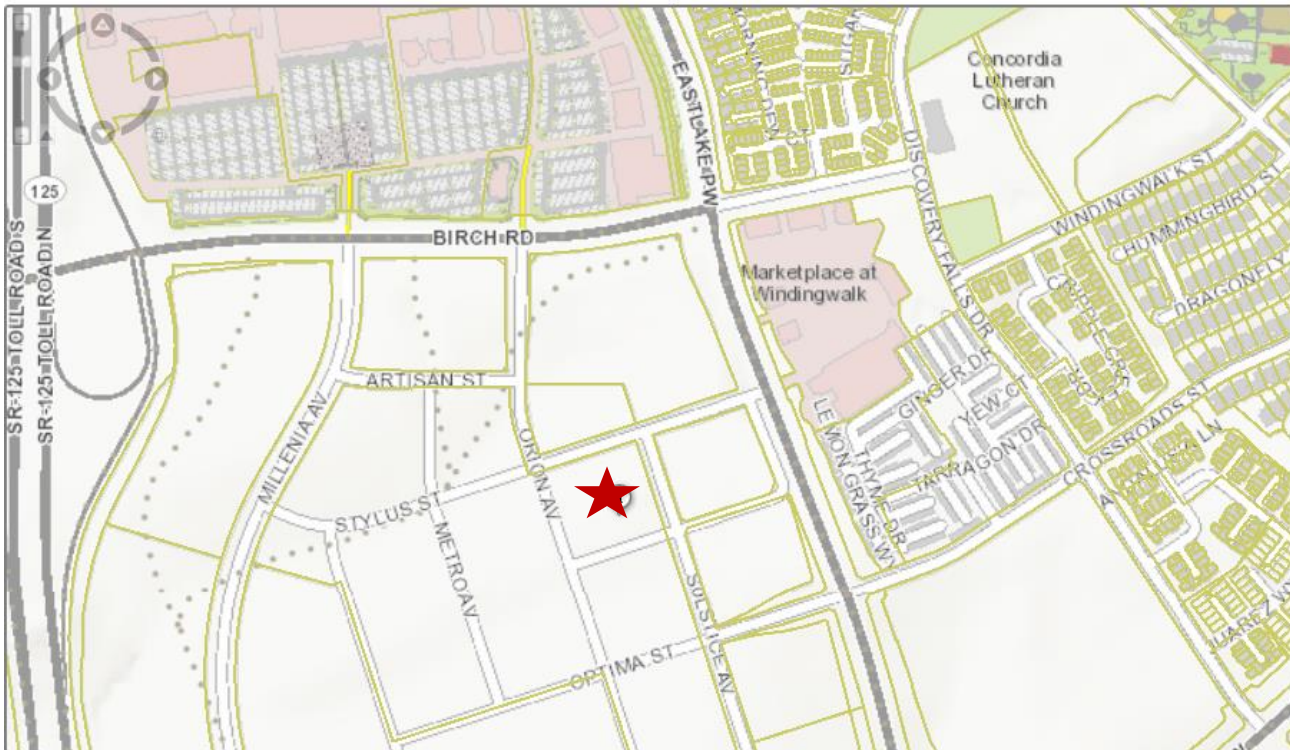
Article XXXIV:

Article XXXIV of the California Constitution (Article 34) requires that voter approval be obtained before any "state public body" develops, constructs or acquires a "low rent housing project". The City of Chula obtained voter approval on April 11, 1978 and subsequently on November 6, 2006 with the passage of Proposition C, which authorizes the development, construction and acquisition of housing for persons of low-income. With the addition of these 210-units, this leaves 1,375 units under the City's current authority to facilitate these activities.

V. Exhibits

1. Locator Map
2. Income Limits and Rents
3. Proforma
4. City and Housing Authority Financial Assistance

MILLENNIA AFFORDABLE HOUSING



Disclaimer: Map and parcel data are believed to be accurate, but accuracy is not guaranteed. This is not a legal document and should not be substituted for a title search, appraisal, survey or zoning verification.

1 inch = 529 feet
11/14/2014

MILLENIA AFFORDABLE HOUSING
Income & Rent Restrictions

Unit Description	No. of Units	Target Income Group		
		% of AMI	Annual Income	Proposed Rents
Seniors				
1 Bd/1 Ba	99	50%	\$ 31,600	\$ 857
1 Bd/1 Ba	11	60%	\$ 37,920	\$ 709
2 Bd/1 Ba	11	50%	\$ 35,550	\$1,027
2 Bd/1 Ba	2	60%	\$ 42,660	\$ 849
MGR	1	N/A	N/A	N/A
Subtotal	124			
Family				
1 Bd/1 Ba	17	50%	\$ 31,600	\$ 857
1 Bd/1 Ba	2	60%	\$ 37,920	\$ 709
2 Bd/1 Ba	34	50%	\$ 35,550	\$1,027
2 Bd/1 Ba	4	60%	\$ 42,660	\$ 849
3 Bd/2 Ba	25	50%	\$ 39,450	\$ 978
3 Bd/2 Ba	3	60%	\$ 47,340	\$1,183
MGR	1	N/A	N/A	N/A
Subtotal	86			
Total	210			

MILLENNIA AFFORDABLE HOUSING

PROFORMA SUBSIDY ANALYSIS

	Cost	Funds	Financing Gap
<u>Project Cost:</u>			
Acquisition	10,189,331		
Construction	28,985,480		
Design/Engineering	1,000,000		
Contingency	1,521,293		
Permits & Fees	10,025,301		
Fees, Financing Costs	2,528,110		
Reserves, Legal, Other	1,164,049		
Developer Fees	2,500,000		
Subtotal	\$ 57,913,564		
Sources of Funds			
Tax Credit Equity		\$24,078,415	
Tax Exempt Bonds-Permanent Loan		\$15,231,000	
Subtotal		\$ 39,309,415	\$ (18,604,149)
Subsidies			
Master Developer Contribution (<i>Land & Improvements</i>)		\$ 10,179,330	
Deferred Developer Fee		\$1,250,000	
C Bond		\$2,000,000	
City Development Fee Deferral/Waiver		\$2,174,819	
City Loan (<i>HOME</i>)		\$1,000,000	
City Loan (<i>In Lieu</i>)		\$ 372,660	
Housing Authority SA Loan (<i>Low/Mod Repay</i>)		\$ 1,627,340	
Subtotal		\$ 18,604,149	
TOTAL	\$ 57,913,564	\$ 57,913,564	\$ -
Project DUS		210	
Project Cost	\$ 57,913,564		
Cost per Unit	\$ 275,778.88		per unit
City HOME Subsidy per Unit @ 11 Units	\$ 90,909		per unit
City/Housing Authority Subsidy per Unit	\$ 24,642		per unit
City HOME Leveraging			\$1 to \$58
Housing Authority Leveraging			\$1 to \$36
TOTAL City/RDA Leveraging			\$1 to \$11

MILLENIA AFFORDABLE HOUSING**CITY/HOUSING AUTHORITY FINANCIAL ASSISTANCE**

\$ <i>(estimate)</i>		Source
Subordinate Residual Receipts Loan of \$3,000,000		
500,000		FY 15 HOME funds
500,000		FY 16 HOME funds (precommitment)
1,630,000		Low/Moderate Income Housing Funds
370,000		Balanced Communities In Lieu Funds
Fee Deferrals/Waivers of \$2,200,000		
1,259,410		Transportation DIF (Deferred)
885,340		Park Acquisition and Development Fee (Deferred)
55,250		Residential Construction Tax (Waived)